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HOUSE FILE 2561
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                                          AN ACT
    4 CREATING A JOB CORPS CENTER NEW JOBS TAX CREDIT AND PROVIDING
          EFFECTIVE AND RETROACTIVE APPLICABILITY DATES.
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    7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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                        NEW SECTION. 422.11J JOB CORPS CENTER NEW
          Section 1.
1 10 JOBS TAX CREDIT.
          The taxes imposed under this division, less the credits
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  11
1 12 allowed under sections 422.12 and 422.12B, shall be reduced by
1 13 a job corps center new jobs tax credit. An employer who hires
1 14 a graduate of a job corps center on a full=time basis within 1 15 six months of the employee's graduation from the job corps
1 16 center or within three years of the employee's graduation from 1 17 the job corps center if the job corps center graduate elects 1 18 to attend a community college in Iowa within six months of the
1 19 employee's graduation from the job corps center is entitled to
1 20 the job corps center new jobs tax credit. The amount of the 1 21 tax credit for each employed job corps graduate is equal to 1 22 the product of six percent of the taxable wages paid to the
1 23 graduate upon which the employer is required to contribute to
  24 the state unemployment compensation fund, as defined in 25 section 96.19, subsection 37, multiplied by the number of
1 26 whole months the graduate is employed by the employer during
  27 the tax year divided by twelve. The tax credit applies only
  28 to the first twelve months of employment for each graduate
1 29 hired. An individual may claim the tax credit allowed a
  30 partnership, subchapter S corporation, or estate or trust
  31 electing to have the income taxed directly to the individual. 32 The amount claimed by the individual shall be based upon the
  33 pro rata share of the individual's earnings of the
  34 partnership, subchapter S corporation, or estate or trust.
35 For purposes of this section, "job corps center" is defined as
1 a campus located in Iowa that is part of the nationwide
2
    2 network of campuses organized under the federal job corps
      program authorized by the federal Workforce Investment Act of
    4 1998, Pub. L. No. 10=222.
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          Sec. 2. Section 422.33, Code Supplement 2003, is amended
    6 by adding the following new subsection:
7 NEW SUBSECTION. 16. The taxes imposed under this division
2
    8 shall be reduced by a job corps center new jobs tax credit.
2
  9 An employer who hires a graduate of a job corps center on a 10 full=time basis within six months of the employee's graduation
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  11 from the job corps center or within three years of the
  12 employee's graduation from the job corps center if the job
  13 corps center graduate elects to attend a community college in
2 14 Iowa within six months of the employee's graduation from the
2 15 job corps center is entitled to the job corps center new jobs
  16 tax credit. The amount of the tax credit for each employed 17 job corps graduate is equal to the product of six percent of
  17
2 18 the taxable wages paid to the graduate upon which the employer
  19 is required to contribute to the state unemployment
  20 compensation fund, as defined in section 96.19, subsection 37,
  21 multiplied by the number of whole months the graduate is
  22 employed by the employer during the tax year divided by
   23 twelve. The tax credit applies only to the first twelve
2 24 months of employment for each graduate hired. An individual
  25 may claim the tax credit allowed a partnership, subchapter S
  26 corporation, or estate or trust electing to have the income 27 taxed directly to the individual. The amount claimed by the
  28 individual shall be based upon the pro rata share of the
  29 individual's earnings of the partnership, subchapter S
  30 corporation, or estate or trust. For purposes of this
  31 section, "job corps center" is defined as a campus located in
  32 Iowa that is part of the nationwide network of campuses
  33 organized under the federal job corps program authorized by 34 the federal Workforce Investment Act of 1998, Pub. L. No. 10=
  35 222.
    1 Sec. 3. EFFECTIVE AND APPLICABILITY DATES. This Act 2 being deemed of immediate importance, takes effect upon
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    3 enactment. This Act applies retroactively to January 1, 2004,
    4 and is applicable to tax years beginning on and after that
    5 date.
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3 3	9 10	CH	HRISTOPHER C. RANTS peaker of the House
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3	14 15 16	JI Pi	EFFREY M. LAMBERTI resident of the Senate
3	17	I hereby certify that this bi is known as House File 2561, Eig	ill originated in the House and ghtieth General Assembly.
3	20 21	_	
	22 23		ARGARET THOMSON nief Clerk of the House
3	24 25	Approved, 2004	
3	26 27		
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